

IN THE CIRCUIT COURT  
THIRD JUDICIAL CIRCUIT  
MADISON COUNTY, ILLINOIS

**FILED**  
OCT 29 2016  
CLERK OF CIRCUIT COURT # 03  
THIRD JUDICIAL CIRCUIT  
MADISON COUNTY, ILLINOIS

ANNE SCHLAFLY CORI, et al., )  
 )  
 Plaintiffs, )  
 v. )  
 EDWARD R. MARTIN, JR., et al., )  
 Defendants. )

Cause No.: 2016MR000111



**ORDER**

This cause coming to be heard on Plaintiffs’ Emergency Motion to Amend the Temporary Restraining Order entered April 29, 2016 (“TRO Order”), notice having been given, and defendants Edward Martin (“Martin”), John Schlafly and Eagle Forum (collectively “Defendants”) having appeared through counsel; and the Court, having considered the parties’ submissions and arguments of counsel, hereby finds as follows:

1. On April 25, 2016, Plaintiffs filed their Motion for Temporary Restraining Order and/or Preliminary Injunction which sought, among other relief, to enjoin and restrain Defendants from preventing Plaintiffs from accessing the offices, property and assets of Eagle Forum. *See* Plaintiffs’ Motion for Temporary Restraining Order and/or Preliminary Injunction. Such property included not only the website domain name *eagleforum.org* as well as any email addresses using the domain name *@eagleforum.org*, but also all address books, mailing lists or other contact information regarding Eagle Forum members and donors. *See* Verified Petition at ¶ 64.

2. On April 29, 2016, this Court entered its TRO Order preserving the status quo by restraining Defendants from preventing Plaintiffs from accessing any and all of the property of

Eagle Forum located at the Illinois Headquarters or elsewhere. *See* TRO Order entered April 29, 2016.

3. The purpose and intent of the Court's TRO Order was to maintain the status quo that existed immediately prior to the April 11, 2016 meeting of the Eagle Forum Board of Directors, and allow defendants Martin and John Schlafly to maintain custody, possession and control of the Eagle Forum property and assets while working cooperatively with Plaintiffs, in their capacities as officers and/or directors of Eagle Forum, in conjunction with the day-to-day management and operations of Eagle Forum.

4. Later, on May 23, 2016, the Court reiterated that the purpose and intent of its TRO Order was to maintain the status quo when it granted Martin's Motion to Compel Salary (which was joined by defendant Eagle Forum), finding "that the *status quo* for the TRO respecting Martin's tenure as President is unchanged from prior to the April 11, 2016 telephone conference." *See* Order entered May 23, 2016 (emphasis added).

5. Under Illinois law, the Court's TRO Order is binding upon "the parties to the action, their officers, agents, employees, and attorneys, and upon those persons in active concert or participation with them who receive actual notice of the order by personal service or otherwise." *See* 735 ILCS 5/11-101.

6. On September 29, 2016, Plaintiffs filed their Emergency Motion to Amend the Temporary Restraining Order after learning that the registered owner of the Eagle Forum domain name, [www.eagleforum.org](http://www.eagleforum.org), had been changed on or after September 26, 2016. The Court notes that on September 29, 2016, Plaintiffs advised the Court and all counsel of record, via e-mail, that the Emergency Motion to Amend the Temporary Restraining Order would be filed later that day and requested dates for its hearing the following day, which was a Friday, or early the

following week. Thereafter, on multiple occasions, Plaintiffs pursued dates for a hearing on their Emergency Motion to Amend the Temporary Restraining Order up through October 17, 2016, when the Court set the motion for hearing on October 19, 2016.

7. The Court notes that, after filing their Emergency Motion to Amend the Temporary Restraining Order, Plaintiffs also filed supplemental memoranda detailing additional and ongoing actions by defendants Martin and John Schlafly that were discovered after September 29, 2016 and threaten the status quo, including the matters set forth in the Affidavit of Elizabeth A. Miller, as well as additional changes to the registered owner of the Eagle Forum domain name and changes to the Eagle Forum website itself.

8. The Court finds that the matters set forth in Plaintiffs' Emergency Motion to Amend the Temporary Restraining Order and their supplemental filings, including the Affidavit of Elizabeth A. Miller, constitute an emergency, pose an immediate threat to the status quo, and threaten immediate irreparable harm to Plaintiffs' protectable interests in Eagle Forum.

9. Plaintiffs have presented clear evidence that Defendants are continuing to deny Plaintiffs access to the property and assets of Eagle Forum, including the membership lists, mailing lists, databases or other lists used by Eagle Forum for mass mailings, emails and/or robocalls.

10. The Court notes the Affidavit of Edward R. Martin, Jr. dated April 26, 2016, which was submitted in connection with Eagle Forum's Counterclaim, in which defendant Martin states that "Eagle Forum maintains a proprietary Contact List of leaders, members, volunteers, and followers," which includes both mailing and email addresses. The Court further notes the Affidavit of Elizabeth A. Miller describing the list of 14,000 active members of Eagle Forum and the contact list of 41,000 emails utilized by Eagle Forum, which was consistent with

the description of such lists provided by attorney Stephen Clark at the hearing on Plaintiffs' Motion for Temporary Restraining Order on April 26, 2016.

11. Plaintiffs have also presented clear evidence that, while denying Plaintiffs access to, or the means to access, such lists or databases, as well as the Eagle Forum website domain name *eagleforum.org*, Defendants have changed the registered owner of *eagleforum.org* from Eagle Forum, first to Eagle Trust Fund and then to Roger Schlafly, without the knowledge or authorization of the Eagle Forum Board of Directors.

12. Plaintiffs argue that such action could only have been done by or at the direction of Defendants, and constitutes another violation of the Court's TRO Order and Martin's and John Schlafly's duties as employees, officers and/or directors of Eagle Forum.

13. Plaintiffs have also presented clear evidence that Martin and John Schlafly refuse to acknowledge Plaintiffs' duties, obligations or authority as directors of Eagle Forum, or to cooperate with Plaintiffs in connection with the management and operation of Eagle Forum.

14. Plaintiffs have also presented clear evidence that Defendants have changed the content of the Eagle Forum website, [www.eagleforum.org](http://www.eagleforum.org), to remove references to Eagle Forum membership, without the knowledge or authorization of the Eagle Forum Board of Directors.

15. The Court finds that Martin and John Schlafly have proven themselves, at this time in the proceedings, to be unwilling and/or incapable of using their positions to serve the best interests of Eagle Forum or to cooperate with Plaintiffs in connection with the management and operation of Eagle Forum.

16. Under the Bylaws of Eagle Forum, "The First and Second Vice Presidents shall, in their turn, exercise the powers of the President in case of disability or illness, or absence of the President, and perform such other duties as authorized by the Board of Directors." Plaintiff

Eunie Smith currently holds the position of First Vice President of Eagle Forum. Plaintiff Anne Schlafly Cori currently holds the position of Vice Chairman of Eagle Forum.

17. The Court finds that defendants Martin and John Schlafly have, since the April 29, 2106 entry of the TRO, utilized their positions as officers and directors of Eagle Forum and their possession, custody and control of Eagle Forum property and assets to take actions which violate the status quo and harm Plaintiffs' protectable interests in Eagle Forum.

18. The Court finds that Plaintiffs have established: (1) that they have a clearly identifiable right which needs protection, (2) that there is a fair question that Plaintiffs will succeed on the merits, (3) that they will suffer irreparable harm if injunctive relief does not immediately issue, (4) that they have no adequate remedy at law, (5) that the requested injunctive relief preserves the status quo, and (6) that a balancing of the hardships in this case favors granting the injunctive relief requested. Accordingly, the Court also finds cause to amend the TRO Order to preserve the status quo.

19. The Court finds that allowing defendants Martin and John Schlafly to continue to serve and hold themselves out as officers of Eagle Forum is detrimental to the status quo, and contrary to the Court's desire to preserve and protect the assets and resources of Eagle Forum pending the resolution of the parties' claims on the merits.

20. The Court further finds that allowing Martin and John Schlafly to continue to use, access, control, transfer and/or modify Eagle Forum property and resources, including the *eagleforum.org* website and domain name and the membership lists, mailing lists, databases or other lists used by Eagle Forum for mass mailings, emails and/or robocalls is detrimental to the status quo, and contrary to the Court's desire to preserve and protect the assets and resources of Eagle Forum pending the resolution of the parties' claims on the merits.

IT IS HEREBY ORDERED that the Temporary Restraining Order is amended as follows:

1. Plaintiffs, in their capacities as the majority of the Eagle Forum Board of Directors, shall immediately assume temporary sole control and possession over all Eagle Forum property, including but not limited to (1) the *eagleforum.org* domain name and website; (2) all email addresses using the domain name “@eagleforum.org;” (3) all Eagle Forum PayPal and social media accounts; (4) all usernames, passwords, passcodes, identification numbers, software and/or any information used to obtain access to and/or control any Eagle Forum property, accounts and software, including the usernames and passwords for GoDaddy, Host Monster, Cloud Flare, CapWiz, Paychex and QuickBooks and any other software or applications utilized in connection with Eagle Forum email, website, accounting and financial management; (5) the list of 14,000 active Eagle Forum members and the contact list of 41,000 emails used by Eagle Forum for mass emails, in a useable electronic format, and any other lists that had been used in connection with the day-to-day management and operation of Eagle Forum prior to April 11, 2016; (6) all Eagle Forum electronic and hard copy files, books, records or other documents, including the records of the names and contact information of all Eagle Forum donors and/or members, including the history and amounts of donation; (7) all life insurance policies and all documentation related thereto; (8) all stocks and investments, savings, checking, credit and lending accounts, including but not limited to (i) Fidelity Investments Account XXXXX9790, (ii) U.S. Bank Account XXXXXXXX0339, and (iii) U.S. Bancorp Investments Account XXXX4056; and (9) all credit cards, check books and blank checks associated with such accounts (all of the foregoing shall be collectively referred to as “Eagle Forum Property”).

2. All Eagle Forum Property shall be used solely in connection with the business and operations of Eagle Forum in the same manner in which it had been used immediately prior to the April 11, 2016 Eagle Forum Board Meeting, and in accordance with the parties' fiduciary duties and obligations as officers and/or directors of Eagle Forum. The parties are specifically enjoined from using any Eagle Forum Property to advocate any position with respect to this litigation or seek to gain an advantage therein.

3. Prior to April 11, 2016, Eagle Forum had an established pattern of business dealings with Eagle Trust Fund and Eagle Forum Education and Legal Defense Fund, including the allocation of monies received from donors, members and supporters amongst the three entities. Eagle Forum shall continue to transact business with these other entities consistent with their prior course of dealings to the extent such transactions do not violate applicable Illinois or Federal laws, the Orders of this Court, or the Eagle Forum Bylaws. In the event of a dispute arising between Eagle Forum and either of the other two entities regarding the proper allocation of monies received by Eagle Forum from donors, members and supporters, such funds shall be held in escrow pending further order of this Court.

4. Within forty-eight (48) hours of this Order, Defendants and all those acting in active concert or participation with them, including Roger Schlafly, shall complete the transfer of all Eagle Forum Property to Plaintiffs, and/or cooperate in good faith with Plaintiffs' efforts to assume immediate control and possession of all Eagle Forum Property.

5. Except as set forth herein and for carrying out the transactions contemplated by this Order, Defendants and all those acting in active concert or participation with them, including Roger Schlafly, are hereby immediately enjoined and restrained from using, accessing,

controlling, transferring, copying, destroying or modifying any Eagle Forum Property without Plaintiffs' prior written authorization.

6. Defendant Martin is hereby suspended from his office and all of his duties as President of Eagle Forum, including presiding over meetings, hiring and firing employees, and is enjoined and restrained from conducting any business on behalf of Eagle Forum or holding himself out as the President of Eagle Forum to any third party.

7. This Court's Order dated May 23, 2016, granting Martin's Motion to Compel Salary is hereby vacated. All salary payments due and owing to Martin shall, from the date of this Order, accrue and be held in abeyance pending the determination of whether Martin was properly terminated by the Eagle Forum Board of Directors on April 11, 2016.

8. Eunie Smith, as First Vice President of Eagle Forum, shall hereby serve as the Acting President of Eagle Forum until the propriety of Martin's removal is determined and/or until a new President of Eagle Forum is duly elected pursuant to the Bylaws of Eagle Forum.

9. Defendant John Schlafly is hereby suspended from his office and duties as Treasurer of Eagle Forum, and enjoined and restrained from conducting any business on behalf of Eagle Forum, or holding himself out as the Treasurer of Eagle Forum to any third party, without Plaintiffs' prior written authorization.

10. Anne Schlafly Cori, as the Vice Chairman of Eagle Forum, shall hereby serve as the Acting Chairman of Eagle Forum until a new Chairman of Eagle Forum is duly elected pursuant to the Bylaws of Eagle Forum.

11. Plaintiffs are hereby authorized, if they see fit, to terminate legal counsel purporting to represent Eagle Forum, including SmithAmundsen LLC, and to retain independent counsel on behalf of Eagle Forum consistent with the Eagle Forum Bylaws and Illinois law.



Upon their termination, legal counsel shall retain and preserve the entirety of their legal file, and transfer the same to any subsequent legal counsel retained on behalf of Eagle Forum. They shall also provide an accounting with regard to retainer fees paid and charges made against said retainer for billable hours spent on behalf of Eagle Forum by its purported legal representatives. Any retainer fees remaining shall be immediately refunded to Eagle Forum.

12. As of April 10, 2016, Eagle Forum was the registered owner of *eagleforum.org*. All prior registered owners of the *eagleforum.org* domain name are hereby revoked. The “Registrant Contact,” “Admin Contact” and “Tech Contact” for *eagleforum.com* shall be changed to reflect the registration as of April 10, 2016, as follows: Name: *Liz Miller*; Organization: *Eagle Forum*; E-mail: *eagle@eagleforum.org*. All usernames, passwords, passcodes, identification numbers and/or any information used to obtain access to and/or control *eagleforum.org*, or any e-mail address using the *@eagleforum.org* domain name, shall be provided to Plaintiffs or reset to the exclusive control of Plaintiffs.

13. Any changes to the form, script or structure of the Eagle Forum website, [www.eagleforum.org](http://www.eagleforum.org), since April 10, 2016, shall be undone or reversed, with the website being returned to the same form, script or structure that existed as of April 10, 2016. The Eagle Forum website shall be used solely in connection with the business and operations of Eagle Forum in the same manner in which it had been used immediately prior to the April 11, 2016 Eagle Forum Board Meeting, and in accordance with the parties’ fiduciary duties and obligations as officers and/or directors of Eagle Forum. The parties are specifically enjoined from using the Eagle Forum website to advocate any position with respect to this litigation or seek to gain an advantage therein.

14. All authority to communicate with any third party regarding any insurance policy owned, maintained and/or paid for by Eagle Forum, including regarding any claims made on such insurance policies, is hereby revoked. Plaintiffs Anne Schlafly Cori and Eunie Smith, as Acting Chairman and Acting President, respectively, are the only individuals authorized to communicate with any third party regarding any insurance policy owned, maintained and/or paid for by Eagle Forum. Eagle Forum shall make a claim to any and all life insurance policies insuring the life of Phyllis Schlafly as soon as is practicable, with all proceeds being deposited into the Fidelity Investment Account, and held in escrow until the conclusion of this case. Eagle Forum may make petition to this Court for authorization for the use of said funds only for extraordinary expenditures during the pendency of this case.

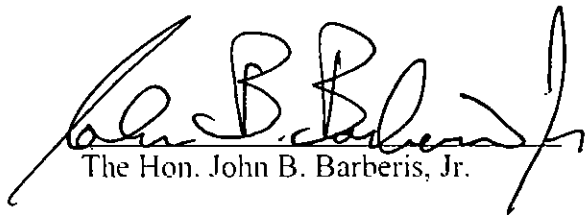
15. All prior signatories on the U.S. Bank Account, the Fidelity Investment Account, the U.S. Bancorp Investments Account, and any other accounts owned by Eagle Forum are hereby revoked. Plaintiffs Eunie Smith, as Acting President, and Anne Schlafly Cori, as Acting Chairman of Eagle Forum, are the only individuals with signatory authority on the U.S. Bank Account, the Fidelity Investments Account, the U.S. Bancorp Investments Account, and any other accounts owned by Eagle Forum and one of their signatures must be affixed on any of the above accounts' instruments of deposit or withdrawal.

16. As of April 10, 2016, Eagle Forum was the owner of the service mark (the "Eagle Forum® Mark") registered at the United State Patent and Trademark Office, Reg. No. 2475317, for EAGLE FORUM® (the "Eagle Forum® Registration"). All authority to communicate, including the filing of documents, with any third party, including the United States Patent and Trademark Office, regarding the Eagle Forum® Mark or the Eagle Forum® Registration is hereby revoked. Plaintiffs Anne Schlafly Cori and Eunie Smith, as Acting Chairman and Acting

President, respectively, are the only individuals with the authority to communicate with any third party regarding the Eagle Forum® Mark or the Eagle Forum® Registration.

17. Pursuant to 735 ILCS 5/11-101, this Order shall be binding upon the parties to this action, their officers, agents, employees, and attorneys, and upon those persons in active concert or participation with them who receive actual notice of this Order. The parties shall provide a copy of this Order to their officers, agents, employees and attorneys, as well as to any individual that has access to and/or control, possession or custody of Eagle Forum Property.

ENTERED:

  
The Hon. John B. Barberis, Jr.

Dated: October 20 2016.  
Time: 4:15 P.m.